
GENERAL REPORTING OF WAGES AND RETIREMENT CONTRIBUTIONS

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This Division of Retirement Employer Handbook is intended for the employers of members of the FRS Pension Plan or the FRS Investment Plan. However, references to an FRS member in this Handbook will refer to a member of the FRS Pension Plan, unless stated otherwise. The division is responsible for processing contributions and maintaining service credit records for Investment Plan members, and for administering Investment Plan participants' disability benefits and Health Insurance Subsidy benefits. Procedures in this handbook should be well marked to indicate the difference in actions required of the employer with respect to Pension Plan vs. Investment Plan members.

Contributions and monthly payroll reports for both the FRS Investment plan and FRS Pension Plan should be sent to the Division of Retirement. One data file (see Chapter 4) and one Contribution Summary Information form containing information for both plans should be submitted. Contributions are submitted as described in section IV (see Page 2-29). Part I provides general information that applies to payment of contributions under both plans, defining terms such as compensation, average final compensation, and bonus in regard to the reporting of retirement contributions. Part II provides a listing of current retirement contribution rates. Part III describes contribution summary requirements and explains delinquent assessments, Part IV provides electronic reporting requirements, Part V describes electronic reporting formats (FTP or FRS Online), and Part VI provides special information for new staff.

STATUTORY REFERENCE:

Sections 121.021, 121.052, and 121.055, Florida Statutes, and
Part III (sections 121.70-121.78), Florida Statutes

FRS RULE REFERENCE:

Sections 60S-3.002(1) and 3.011, Florida Administrative Code

I. COMPENSATION - WAGES

After determining which employees must be reported as members of the retirement system, whether they are members of the FRS Investment Plan or FRS Pension Plan, and the class of membership for each member, the reporting unit must determine which types of payments to their employees are covered for retirement purposes. The following information explains the difference between covered and non-covered wages and provides examples of each.

A. PAYMENTS COVERED FOR RETIREMENT PURPOSES

All payments that meet the definition of compensation as provided in the FRS Rules, section 60S-6.001(16)(a), Florida Administrative Code, must be reported for retirement purposes. The monthly report should include only those wages paid during that month. The exceptions to this reporting requirement are:

- Retroactive back payments as discussed later in this section; and
- School boards, charter schools, and community colleges that pay employees on nine-month or ten-month contracts over a 12-month period (see Chapter 3, Part VII).

Regular Salary

Regular salary includes:

- All normal earnings of a member paid for work performed during the calendar month being reported; and
- Overtime payments.

If your agency has a flexible benefits plan (including cafeteria plans under section 125 of the Internal Revenue Code) with a salary reduction feature, retirement contributions are due on the gross salary payable before any salary reduction. You should report the gross amount of the employee's salary, which may be different from the salary on which withholding tax is computed.

In addition to flexible benefits plans and cafeteria plans, several other employer-sponsored plans with salary reduction features are authorized under the Internal Revenue Code, such as section 403(b) tax-sheltered annuities and section 457 deferred compensation programs. The employee's gross salary (before any salary reduction) is subject to FRS coverage and contributions.

If your agency provides special qualification salary to each county official (paid in accordance with Chapter 145, Florida Statutes) or to each elected school superintendent (paid in accordance with section 1001.47(4)(a) and (5)(b), Florida Statutes) who meets and completes the certification requirements as specified by law, retirement contributions are due on these payments.

Annual Leave

Annual leave means leave accrued during an employee's career that is intended for the employee's personal use. When an employee uses a day or more of leave for recreational or vacation purposes, payments for these periods should be reported along with any other regular wages paid during the month being reported. These are considered a continuation of wages and are covered wages for retirement purposes.

Vacation Advance Payments

Some reporting units have a policy allowing employees to receive advance payments of annual leave. Under this policy, an employee can receive an advance payment of annual leave for vacation in the month before the month in which the vacation is taken. If your reporting unit has such a policy, vacation advance payments should be reported during the calendar month paid, using the employee's normal work period code. Florida law requires that a month of service credit be awarded for each month that salary is paid for service performed (see section 121.021(17)(b)4., Florida Statutes). If the advance payment of annual leave is for a complete month's salary, the employee would receive no service credit for the month of vacation because no salary would be reported for that month.

Lump Sum Annual Leave

When a member receives a lump sum payment for accrued annual leave, whether this payment is made during employment,¹ at termination, or at retirement, the payment for annual leave time is considered to be covered wages for retirement purposes. Retirement contributions are due for all lump sum payments for accumulated annual leave, including general or consolidated leave that is used for both vacation and sickness (see sick leave below); except that, if a single lump sum payment for annual leave exceeds 500 hours, a statutory maximum of only 500 hours shall be reported as covered wages with the required contributions.

All lump sum payments of this type must be reported as a separate entry on your retirement report. To ensure that the member receives the correct service credit, lump sum payments for annual leave must be reported with a work period 21 code, rather than the normal work period code for the member. Please include the number of hours the payment represents. (Refer to Chapter 3, Part VII, for further discussion of work periods.)

Sick Leave

Sick leave is leave that is intended to be used exclusively for absences due to sickness, injury, or other health problems of the member or family. Sick leave that is used to continue wage payments during a period of illness or injury is covered for retirement purposes. These payments should be reported along with any other salary payments made to the employee during the calendar month being reported.

Consolidated Leave Accounts

Many agencies do not maintain separate annual leave and sick leave accounts but have a consolidated account that can be used for vacation, personal business or absences due to sickness or injury. Payments for accumulated leave from a consolidated account should be reported for retirement as lump sum annual leave payments only if the leave, when originally earned, could be used for either sick or annual leave. When leave is initially accrued separately as annual leave or sick leave and is later combined into a consolidated leave account, the payment for the portion of the account that represents sick leave is not considered compensation.

Back Payments

Back payments are wages that are paid by an employer at a date later than when the wages should have been paid. Often this is a result of court or administrative action to remedy previous underpayment or lack of payment to an employee, where a retroactive payment has been ordered.

¹ Such payments may be made during employment in accordance with an agency policy of periodic buy-out or in accordance with a December payout option available to state employees covered by the Career Service System.

In these special circumstances, wages should be entered on the retirement report so that the check date reflects the month(s) and year(s) that would have been used if the wages had originally been paid and reported correctly. This will ensure proper service credit to the member. Agencies will be charged 6.5 percent compounded interest each year on back pay awards until full payment is made. (Refer to Chapter 3, Part XII, for information on prior period adjustments and adjustment codes.)

Example: Assume that a court or administrative body determines that employee Smith was underpaid from January through April 2020 and that Smith should receive a retroactive payment (back pay) in the amount of \$400.00 (\$100.00 per month). Assume that the employer contribution rate for Smith's membership class was 8.47 percent (the Regular Class employer contribution rate, the unfunded actuarial liability (UAL) rate, the administrative fee, and the health insurance subsidy (HIS) rate for Fiscal Year 2019-20) and assume that the employee contribution rate for Smith's membership class was 3.00 percent (the Regular Class employee contribution rate for Fiscal Year 2019-20). The monthly back payments would be entered on the current month retirement report as prior period payroll adjustments, as shown below:

<u>Unit No.</u>	<u>SS No.</u>	<u>Ck. Date</u>	<u>Name</u>	<u>Ret. Plan</u>	<u>Work Per.</u>	<u>Adj. Code</u>	<u>Salary</u>	<u>Employee Contrib.</u>	<u>Employer Contrib.</u>
47123	123456789	012020	Smith, John	HA	12	R	100.00	3.00	8.47
47123	123456789	022020	Smith, John	HA	12	R	100.00	3.00	8.47
47123	123456789	032020	Smith, John	HA	12	R	100.00	3.00	8.47
47123	123456789	042020	Smith, John	HA	12	R	100.00	3.00	8.47

A copy of the court order or settlement papers should be submitted with the retirement report.

The provisions of section 121.011(3)(g), Florida Statutes, for reinstatement with back pay do not apply to retirees or DROP participants. If an employee appeals a termination action and is receiving retirement benefits or participating in DROP, the employee is not entitled to reinstatement or service credit. The employer and employee may have an agreement for a monetary settlement amount, which does not affect retirement and the re-hiring of the employee/retiree.

If the settlement agreement requires the employee to be re-hired, the employee will be enrolled as a renewed member in the FRS if initially reemployed before July 1, 2010, or a defined contribution plan retiree² if initially enrolled as a renewed member on or after July 1, 2017, as a member of the FRS Investment Plan, the State University System Optional Retirement Program, or the State Community College System Optional Retirement Program. The employee may not return to DROP participation. The agreement must ensure that termination has occurred (the employee must not be employed for six full calendar months following termination³). If the employee is reemployed during the first six calendar month following retirement or the end of DROP, the retirement (including DROP participation) is voided. If the employee is re-hired during the seventh through twelfth month following retirement or the end of DROP, any benefits received in error must be repaid to the Division of Retirement. Questions regarding DROP termination or reemployment after retirement provisions should be directed to the Division of Retirement. You may call the division toll free at 877-377-1266 or 850-907-6540 in the Tallahassee local calling area, or email enrollment@dms.myflorida.com.

STATUTORY REFERENCE:

Sections 121.011(3)(g), 121.021(22), (24), (47), (48), and (49), 121.051(9), and 121.091(13), Florida Statutes

FRS RULE REFERENCE:

Sections 60S-2.002, 2.006, 2.016, 3.002, 3.003, and 6.001, Florida Administrative Code

² A defined contribution plan retiree is member retired from the FRS Investment Plan, the State University System Optional Retirement Program, the State Community College System Optional Retirement Program or the Senior Management Service Optional Annuity Program. Pension Plan retirees are not eligible for renewed membership if initially reemployed on or after July 1, 2010.

³ For DROP termination dates and retirement without DROP effective before July 1, 2010, termination is the first calendar month and reemployment limitations are the second through twelfth months of retirement or after DROP termination.

Back Payments for Overtime

Settlement agreements for retroactive overtime payments made under the Fair Labor Standard Act (FLSA) meet the definition of compensation and must be reported for retirement purposes. Florida law defines compensation as the monthly salary paid a member by the employer for work performed arising from that employment, including overtime payments paid from a salary fund (see section 121.021(22), Florida Statutes). To comply with the FLSA, overtime payments should be reported during the pay period in which the service is rendered.

Wages representing back payments for overtime should be entered on the retirement report so that the check date reflects the time period that would have applied if the wages had originally been paid and reported correctly. The contribution rate used is the rate in effect for the check date. Since employees had salary payments reported during this period of time, agencies are not required to submit monthly adjustments. However, the agency must report the wages in the correct plan year (July 1 - June 30) with the correct retirement contribution rate (e.g., all overtime earned from July 1 through December 31 should be reported with a December check date if the rate changed effective January 1. If the rate change became effective on July 1, all overtime earned should be reported with a June check date).

Salary Additives

Salary additives that begin early in one's career and continue annually until retirement, although not a part of the base pay, after time become a permanent part of the member's total pre-retirement income. Because of the permanence and duration of these payments, they more closely resemble base pay compensation than bonuses.

Salary additive payments should be reported to the FRS if they meet all of the following conditions (payments in this category are not considered bonuses):

- They are paid pursuant to a formal written policy of the employer which applies to all eligible employees equally;
- They begin no later than the eleventh year of employment (an exception would be a recently implemented policy where some employees already have passed the eleventh year);
- Once payments have begun, they are paid for as long as the employee continues employment; and
- The payments are paid at least annually.

Lump Sum Payments in Lieu of Salary Increases

If your agency pays lump sum payments — either annually or in 12 or 26 equal payments within a 12-month period — in lieu of a permanent increase in the base rate of pay when an employee's base pay is at the maximum of the pay range, retirement contributions are due on these payments, even though these payments do not meet all four conditions stated above.

STATUTORY REFERENCE:

Section 121.021(22), (24), and (47), Florida Statutes

FRS RULE REFERENCE:

Section 60S-6.001(11) and (16), Florida Administrative Code

Supplemental Pay for Active Duty Reserves

Chapter 1991-3, Laws of Florida, amended Chapter 115, Florida Statutes, to permit all public agencies to provide supplemental pay to employees who are reservists called to active military service. The term reservists includes members of the National Guard.

- Appropriate retirement contributions based on the employee's membership class should be submitted to the division on any salary (full, partial using annual leave, or supplemental) made to employees during such periods of military leave (see Chapter 7, Part III, section C, for information on the cost of this service). Salary payments and retirement contributions should be reported on the monthly retirement report using the employee's regular work period code.
- Retroactive supplemental pay should be reported as prior period adjustments. The pay should be entered on the retirement report so that the check date reflects the month(s) and year(s) that would have applied if the wages had originally been paid and reported correctly. This will ensure proper service credit to the member. (Refer to Page 2-4 for information on back payments and to Chapter 3, section XII, for information on adjustment codes.)

Incentive Payments

Since July 4, 1996, salary incentives paid to law enforcement personnel, firefighters, or correctional officers as provided by law in sections 943.22 and 633.382, Florida Statutes, have been reported for retirement purposes as a part of an employee's regular salary.

If educational incentive payments for other employees meet the criteria in rule 60S-6.001(16)(a)3., Florida Administrative Code, they are considered compensation for retirement purposes and should be reported as part of an employee's regular salary. The required criteria are:

- The payments must be paid according to a formal written policy that applies to all eligible employees equally;
- The policy must provide that payments commence not later than the eleventh year of employment;
- The payments must continue to be made for as long as the employee continues employment; and
- The payments must be paid at least annually.

STATUTORY REFERENCE:

Section 121.021(22) and (47), Florida Statutes

FRS RULE REFERENCE:

Section 60S-6.001(11) and (16), Florida Administrative Code

B. PAYMENTS EXCLUDED FOR RETIREMENT PURPOSES

Under Florida law, some payments are not considered wages for retirement purposes and should not be reported. When retirement contributions are incorrectly reported on compensation that is not creditable under the FRS law for retirement purposes, adjustments to salary and retirement contributions are required for all affected employees, including those who have retired and/or terminated and taken a distribution from their Investment Plan account(s) (see Chapter 3, Part XII, for information on prior period adjustments). This could result in an overpayment of benefits to your retired employees, which must be repaid to the FRS. If you have any questions regarding payments being reported as compensation for retirement purposes, please contact the Division of Retirement. You may call the division toll free at 877-377-1266 or 850-907-6540 in the Tallahassee local calling area, or email contributions@dms.myflorida.com.

Payments excluded for retirement purposes include:

- Lump sum payments of accrued sick leave made to members, whether paid during employment in accordance with an agency policy of periodic buy-out, at termination, or at retirement, are not considered wages for retirement purposes and should not be reported for retirement.
- Payments made for accumulated leave from a consolidated account should not be reported for retirement if the following conditions are met:
- The leave, when originally earned, was sick leave and was later transferred to the consolidated account; and
- The agency maintains two separate accounts (one for annual leave and the other a consolidated account that can be used for personal business as well as illness or injury).

Payments made for accumulated annual leave should not include leave originally earned as sick leave and later transferred to an annual leave account.

If the payments above are reported incorrectly and a prior period adjustment is required, the adjustment will be retroactive to May 1, 1985.

Bonuses

Effective July 1, 1989, the definition of compensation was amended to exclude bonuses for retirement purposes. Bonuses are payments made in addition to an employee's regular or overtime salary. They are usually nonrecurring, do not increase the employee's base rate of pay, and do not carry with them a commitment for payment in the next year. If a bonus payment is reported incorrectly and a prior period adjustment is required, the adjustment will be retroactive to July 1, 1989; however, adjustments will be retroactive to April 1, 1992, for payments made under the Summer Inservice Institute Program or payments made to teachers or non-instructional personnel to attend workshops.

Specific examples of payments that are considered bonuses are listed below (this is not a complete list). These types of payments are not to be reported as compensation under the FRS Pension Plan or FRS Investment Plan:

- Dale Hickam Excellent Teaching Program⁴.
- Exit bonuses.
- Severance payments.
- Lump sum payments under employee suggestion programs, wellness programs, sick leave incentive programs, sales incentive programs, and other such payments.
- Salary increases granted because an employee has agreed to retire, even when such increases are paid over several months or years prior to retirement, as is the practice of some district school boards.
- Payments for accumulated overtime, compensatory time, reserve time, or holiday time worked, if not made within 11 months of the month in which the work was performed.
- Payments made under the Teacher Stipend Program.
- Payments made under the Summer Inservice Institute Program or payments made to teachers or non-instructional personnel to attend workshops.
- Racetrack bonuses, Christmas bonuses, good budget year bonuses, and other bonuses that do not meet all of the four conditions of salary additives listed on Page 2-7.

Annual Leave Payments in Excess of 500 Hours

If a single lump sum payment is made for accumulated annual leave in excess of 500 hours, whether paid during employment in accordance with an agency policy of periodic buy-out, at termination, or at retirement, a statutory maximum of only 500 hours of paid leave shall be reported with the required contributions. The amount paid for leave in excess of 500 hours is not covered for retirement purposes. This includes general or consolidated leave, which is used for both vacation and sickness.

Fringe Benefits

Unlike the Social Security Act, the retirement law generally does not include fringe benefit payments as compensation for retirement purposes. Some of the more common types of fringe benefit payments that are not payments for retirement purposes are listed below. This is not a complete list.

⁴ From July 1, 2002, through June 30, 2008, salary supplements paid under section 1012.72, Florida Statutes, were creditable for retirement; however, these supplements were removed from the definition of compensation effective July 1, 2008. In addition, from July 1, 2002, through June 30, 2003, salary supplements under the Florida Mentor Teacher Pilot Program (section 1012.73, Florida Statutes) were also covered for retirement; however, this program was repealed on July 1, 2003.

- Housing allowances.
- Uniform or tool allowances.
- Fair market value of employer-provided vehicles or reimbursement to employee of market value of employer-provided vehicles.
- Stipends in lieu of an employer-furnished vehicle (reimbursement for use of personal vehicle for employer business).
- Stipends for reimbursement of parking expenses.
- Value of meals and lodgings and/or reimbursement for same (includes Class C travel payments). Example: State agency employee meal allowance as provided by law when an employee in travel status is not away from the official headquarters overnight.
- Refunds of insurance premiums paid by the employee, provided that the employee does not file an insurance claim.
- Employer payments for a Health and Life Insurance Program in addition to the base salary.
- Cash payments paid under a flexible benefits program when the employee's base salary has not been increased (i.e., employee can select cash in lieu of a non-cash benefit).

The payments listed under bonuses and fringe benefits are examples of payments not creditable for retirement purposes. To determine if a particular payment should be reported for retirement purposes (except for salary additives listed on Page 2-7), several questions should be addressed.

- Is the payment included in the hourly rate of pay and considered part of the employee's base rate of pay?
- Is the payment included to compute payment for overtime?
- Is the payment included in the buy-out of unused annual and/or sick leave?
- Are subsequent merit increases based on the payment as part of the base salary?

If the payment does not meet all the above criteria, it should not be reported for retirement purposes. The final determination as to whether a payment should be included in a member's compensation and reported for FRS coverage will be made by the division. If a fringe benefit payment is reported incorrectly and a prior period adjustment is required, the adjustment will be retroactive to July 1, 1990.

Deferred Compensation Programs

Some reporting units contribute a percentage of an employee's base salary to deferred compensation programs. While retirement contributions are required on the employee's gross salary before any employee contributions are made to a salary reduction, deferred compensation, or tax-sheltered program, the employer contribution to such a program, if authorized by appropriate specific authority, does not constitute wages and is not covered for retirement purposes.

Salaries Exceeding Federal Limits

Federal law, under section 401(a)(17) of the Internal Revenue Code, limits the amount of annual salary that may be applied towards retirement under a qualified retirement plan. Employees who initially became members of the FRS on or after July 1, 1996, are subject to a \$150,000 limit, incrementally indexed for cost-of-living increases after 1996. Employees who initially became members of the FRS before July 1, 1996, are subject to a higher limit (also adjusted annually by the IRS to reflect cost-of-living increases). The limits are:

Date	Member on or after 7/01/96	Member prior to 7/01/96
7/01/96	\$150,000	\$250,000
7/01/97	\$160,000	\$263,440
7/01/98	\$160,000	\$265,000
7/01/99	\$160,000	\$272,520
7/01/00	\$170,000	\$279,660
7/01/01	\$170,000	\$289,260
7/01/02	\$200,000	\$294,620
7/01/03	\$200,000	\$301,100
7/01/04	\$205,000	\$306,820
7/01/05	\$210,000	\$317,000
7/01/06	\$220,000	\$328,860
7/01/07	\$225,000	\$335,240
7/01/08	\$230,000	\$348,560
7/01/09	\$245,000	\$354,140
7/01/10	\$245,000	\$359,260
7/01/11	\$245,000	\$363,820
7/01/12	\$250,000	\$375,800
7/01/13	\$255,000	\$382,900
7/01/14	\$260,000	\$387,620
7/01/15	\$265,000	\$392,460
7/01/16	\$265,000	\$394,300
7/01/17	\$270,000	\$401,400
7/01/18	\$275,000	\$409,900
7/01/19	\$280,000	\$418,920
7/01/20	\$285,000	\$427,440

Since July 1, 1996, no retirement contributions are paid on salaries that exceed these federal limits, and retirement benefits are based only on the amount of salary on which retirement contributions have been paid. The division will notify your agency if you have an employee who is approaching or has exceeded these limits. All salary earned should be reported to ensure accurate service credit for the member.

C. WORKERS' COMPENSATION

Under the FRS, members of the Pension Plan and the Investment Plan are entitled to retirement service credit for the period of time temporary total or temporary partial workers' compensation (WC) payments are received, provided that the member:

- Is approved for and retires on disability retirement; or
- Immediately upon recovery, returns for at least one calendar month to active employment in a regularly established position with an FRS participating employer.

Maximum Medical Improvement

An employee is not eligible to receive retirement credit for periods of WC leave once the employee has reached maximum medical improvement. The employer of record at the time the employee is placed on WC leave due to injury or illness is responsible for reporting the required retirement contributions, even if the employee returns to covered employment with a different FRS employer.

Reporting Instructions

The employer should report the period covered by WC payments as follows:

- Use the employee's monthly rate of compensation before receiving WC payments.
- Use work period code 88 for WC payments received on or after July 1, 1990, and use work period code 77 for WC payments received before July 1, 1990 (see Chapter 3, Part VII, for more on work period codes).
- Report compensation and retirement contributions only for the period of time that the employee received WC payments for temporary total or temporary partial disability and remained in an employee/employer relationship.
- Pay both employee and employer contributions, reporting the total in the employer contribution field.

NOTE: These WC reporting instructions apply only to local agency employers. State employers should contact the Office of the Chief Financial Officer for the method to report WC.

Methods to Report WC Payments

Normally, one of the following methods is used in meeting the requirements of state law regarding the payment of WC amounts to employees on WC leave due to being injured on the job. Reporting units must report WC amounts received in one of the following ways:

- 1. First Method** — Under this method, WC payments are made to the employee by an insurance company or from a nonsalary account of the employer. Because the employee received no salary payments, the employee was not reported on the payroll during the period the employee was on leave without pay and received WC payments. In this case, on the first retirement report after the employee becomes eligible to receive retirement credit (by returning to work for one full calendar month or by retiring on disability), the employer must report the WC leave period for retirement purposes. Note that the employer is responsible for paying and reporting the employee contribution. The total of employee and employer contributions should be reported in the employer contribution field. Based on retirement (both employer and required employee contributions), UAL rates, HIS rates, and administrative contribution rates for Fiscal Year 2020-21, the following is an example of a report for a Regular Class member who receives WC payments rather than the normal salary of \$1,500.00 in July 2020:

<u>Unit No.</u>	<u>SS No.</u>	<u>Ck. Date</u>	<u>Name</u>	<u>Ret. Plan</u>	<u>Work Period</u>	<u>Wages</u>	<u>Employee Contrib.</u>	<u>Employer Contrib.</u>
47123	123456789	072020	Smith, John	HA	88	1,500.00	0.00	195.00

- 2. Second Method** — Under this method, the member is eligible to receive a combination of partial salary and workers' compensation payments. The partial salary and retirement contributions are reported in the normal way. After the employee has returned to work for one full calendar month or is approved for disability retirement, the employer should report the remaining salary the employee would have received had the employee not received WC payments and corresponding employee and employer contributions. The employer pays and reports the total of employee and employer contributions in the employer contribution field.

The employee is reported on the July and August 2020 payrolls with salary of \$500.00 per month. On the first retirement report after the employee becomes eligible to receive retirement credit (by returning to work for one full calendar month or by retiring on disability), the employer must report the employee's additional salary using rates for Fiscal Year 2020-21 as follows:

<u>Unit No.</u>	<u>SS No.</u>	<u>Ck. Date</u>	<u>Name</u>	<u>Ret. Plan</u>	<u>Work Period</u>	<u>Wages</u>	<u>Employee Contrib.</u>	<u>Employer Contrib.</u>
47123	123456789	072020	Smith, John	HA	88	1,000.00	0.00	130.00
47123	123456789	082020	Smith, John	HA	88	1,000.00	0.00	130.00

- 3. Third Method** — Under this method, the employee is retained on regular salary payroll in fullpay status and salary and retirement contributions are reported in the normal way. No further adjustments are necessary under this method.

Florida law requires the employer of record to report all periods of WC leave once the employee has met the eligibility criteria set by law. In the event the required contributions for a period of WC leave have not been made, the employer of record will be required to pay all retirement contributions due (both employer and required employee). Retirement contributions for WC periods are due and required to be paid on the first payroll report after:

1. Completion of one calendar month of active employment required for a member who returns to employment; or
2. Notification by the division that a member has been approved for and retired under disability retirement.

Failure to Pay Contributions Due for WC Leave

Agencies that fail to make retirement contributions properly and timely will be charged a delinquent fee equal to 1 percent of the contributions due for each calendar month or part thereof that the contributions are late, as provided by law. This fee cannot be waived and will be charged retroactive to the date that the WC retirement contributions were first required to be paid for the affected period of WC leave (this includes WC periods on and after July 1, 1990).

II. RETIREMENT AND HEALTH INSURANCE SUBSIDY CONTRIBUTION RATES

The contribution rates quoted on the following pages are in effect as of July 1, 2020, for current members of the retirement system. The posted contribution rates include the employer contribution rate, the employee contribution rate⁵, any applicable unfunded actuarial liability rates, an administrative fee, and the retiree health insurance subsidy (HIS) contribution rate (except for the IFAS Supplemental Plan). For a list of current and recent FRS contribution rates, refer to the rate charts posted on the Employers page of the division's website at www.frs.myflorida.com.

⁵ Effective July 1, 2011, members of the retirement system began contributing a percentage of their gross salary to the FRS. These employee contributions are paid on a pre-tax basis. SMSOAP, SUSORP and SCCSORP participants are also required to pay employee contributions. DROP participants are not required to make employee contributions.

Rate Chart 1: FRS PENSION PLAN AND HIS CONTRIBUTION RATES**Rates Effective July 1, 2020**

(Employer contribution rates include retirement rate, 1.66 percent HIS contribution rate, 0.06 percent fee⁶, and any applicable UAL rate⁷.)

<u>Plan Code</u>	<u>Plan Name</u>	<u>Employee Contribution Rate</u>	<u>Employer Contribution Rate</u>	<u>Total Contribution Rate</u>	<u>Social Security</u>
HA	Regular	3.00%	10.00%	13.00%	Yes
HB	Special Risk	3.00%	24.45%	27.45%	Yes
HC	Judges	3.00%	39.73%	42.73%	Yes
HE	Legislators	3.00%	58.91%	61.91%	Yes
HG	Governor/Lt. Governor and Cabinet	3.00%	58.91%	61.91%	Yes
HH	State Attorney/Public Defender	3.00%	58.91%	61.91%	Yes
HI	County, City, Spec. Dist. Elected Officers	3.00%	49.18%	52.18%	Yes
HJ	Special Risk Admin. Support	3.00%	35.84%	38.84%	Yes
HK	IFAS Supplemental	N/A	18.75% ⁸	18.75% ⁸	No
HM	Senior Management (SMSC)	3.00%	27.29%	30.29%	Yes

Rate Chart 2: FRS INVESTMENT PLAN, HIS AND DISABILITY CONTRIBUTION RATES**Rates Effective July 1, 2020**

(Employer contribution rates include retirement rate, 1.66 percent HIS contribution rate, 0.06 percent fee⁶, and any applicable UAL rate⁷.)

<u>Plan Code</u>	<u>Plan Name</u>	<u>Employee Contribution Rate</u>	<u>Employer Contribution Rate</u>	<u>Total Contribution Rate</u>	<u>Social Security</u>
PA	Regular	3.00%	10.00%	13.00%	Yes
PB	Special Risk	3.00%	24.45%	27.45%	Yes
PC	Judges	3.00%	39.73%	42.73%	Yes
PE	Legislators	3.00%	58.91%	61.91%	Yes
PG	Governor/Lt. Governor and Cabinet	3.00%	58.91%	61.91%	Yes
PH	State Attorney/Public Defender	3.00%	58.91%	61.91%	Yes
PI	County, City, Spec. Dist. Elected Officers	3.00%	49.18%	52.18%	Yes
PJ	Special Risk Admin. Support	3.00%	35.84%	38.84%	Yes
PM	Senior Management (SMSC)	3.00%	27.29%	30.92%	Yes

⁶ This 0.06 percent fee is for administering the FRS Investment Plan and providing educational services to all FRS members for the 2020-21 Fiscal Year.

⁷ For a complete breakdown of the UAL rates by membership class, see Rate Chart 12 on Page 2-24.

⁸ The IFAS Supplemental rate is established by law and does not include any additional rates or fees.

**Rate Chart 3: SMSC PENSION PLAN AND HIS CONTRIBUTION RATES
FOR EOC MEMBERS WHO ELECT TO JOIN THE SMSC**

Rates Effective July 1, 2020

(Employer contribution rates include retirement rate, 1.66 percent HIS contribution rate, 0.06 percent fee⁹, and any applicable UAL rate¹⁰.)

Plan Code	Plan Name	Employee Contribution Rates	Employer Contribution Rates	Total Contribution Rate	Social Security
HP	Judges	3.00%	27.29%	30.29%	Yes
HP	Legislators	3.00%	27.29%	30.29%	Yes
HP	Governor/Lt. Governor and Cabinet	3.00%	27.29%	30.29%	Yes
HP	State Attorney/Public Defender	3.00%	27.29%	30.29%	Yes
HQ	County, City, Spec. Dist. Elected Officers	3.00%	27.29%	30.29%	Yes

**Rate Chart 4: SMSC INVESTMENT PLAN AND HIS CONTRIBUTION RATES
FOR EOC MEMBERS WHO ELECT TO JOIN THE SMSC**

Rates Effective July 1, 2020

(Employer contribution rates include retirement rate, 1.66 percent HIS contribution rate, 0.06 percent fee⁹, and any applicable UAL rate¹⁰.)

Plan Code	Plan Name	Employee Contribution Rates	Employer Contribution Rates	Total Contribution Rate	Social Security
PP	Judges	3.00%	27.29%	30.29%	Yes
PP	Legislators	3.00%	27.29%	30.29%	Yes
PP	Governor/Lt. Governor and Cabinet	3.00%	27.29%	30.29%	Yes
PP	State Attorney/Public Defender	3.00%	27.29%	30.29%	Yes
PQ	County, City, Spec. Dist. Elected Officers	3.00%	27.29%	30.29%	Yes

⁹ The 0.06 percent fee is for administering the FRS Investment Plan and providing educational services to all FRS members for the 2020-21 Fiscal Year.

¹⁰ For a complete breakdown of the UAL rates by membership class, see Rate Chart 12 on Page 2-24.

**Rate Chart 5: FRS PENSION PLAN RENEWED MEMBERSHIP -
FRS AND HIS CONTRIBUTION RATES**

Rates Effective July 1, 2020

(Employer contribution rates include retirement rate, 1.66 percent HIS contribution rate, 0.06 percent fee¹¹, and any applicable UAL rate¹².)

<u>Plan Code</u>	<u>Plan Name</u>	<u>Employee Contribution Rates</u>	<u>Employer Contribution Rates</u>	<u>Total Contribution Rate</u>	<u>Social Security</u>
Renewed Membership in the Regular Class					
RA	Regular	3.00%	10.00%	13.00%	Yes
Renewed Membership in the EOC					
RC	Judges	3.00%	39.73%	42.73%	Yes
RE	Legislators	3.00%	58.91%	61.91%	Yes
RG	Governor/Lt. Governor and Cabinet	3.00%	58.91%	61.91%	Yes
RH	State Attorney/Public Defender	3.00%	58.91%	61.91%	Yes
RI	County, City, Spec. Dist. Elected Officers	3.00%	49.18%	52.18%	Yes
Renewed Membership in the SMSC (includes EOC members who elected to join the SMSC)					
RM	Senior Management (SMSC)	3.00%	27.29%	30.29%	Yes
RP	Judges	3.00%	27.29%	30.29%	Yes
RP	Legislators	3.00%	27.29%	30.29%	Yes
RP	Governor/Lt. Governor and Cabinet	3.00%	27.29%	30.29%	Yes
RP	State Attorney/Public Defender	3.00%	27.29%	30.29%	Yes
RQ	County, City, Spec. Dist. Elected Officers	3.00%	27.29%	30.29%	Yes

¹¹ The 0.06 percent fee is for administering the FRS Investment Plan and providing educational services to all FRS members for the 2020-21 Fiscal Year.

¹² For a complete breakdown of the UAL rates by membership class, see Rate Chart 12 on Page 2-24.

Rate Chart 6: FRS INVESTMENT PLAN RENEWED MEMBERSHIP FOR DEFINED CONTRIBUTION PLAN RETIREES EMPLOYED ON OR AFTER JULY 1, 2017 - CONTRIBUTION RATES

Rates Effective July 1, 2020

(Employer contribution rates include retirement rate, 1.66 percent HIS contribution rate, 0.06 percent fee¹³, and any applicable UAL rate¹⁴.)

Plan Code	Plan Name	Employee Contribution Rates	Employer Contribution Rates	Total Contribution Rate	Social Security
CA	Regular	3.00%	10.00%	13.00%	Yes
CB	Special Risk Class	3.00%	24.45%	27.45%	Yes
CJ	Special Risk Administrative Support Class	3.00%	35.84%	38.84%	Yes
Renewed Membership in the EOC					
CC	Judges	3.00%	39.73%	42.73%	Yes
CE	Legislators	3.00%	58.91%	61.91%	Yes
CG	Governor/Lt. Governor and Cabinet	3.00%	58.91%	61.91%	Yes
CH	State Attorney/Public Defender	3.00%	58.91%	61.91%	Yes
CI	County, City, Spec. Dist. Elected Officers	3.00%	49.18%	52.18%	Yes
Renewed Membership in the SMSC (includes EOC members who elected to join the SMSC)					
CM	Senior Management (SMSC)	3.00%	27.29%	30.29%	Yes
CP	Judges	3.00%	27.29%	30.29%	Yes
CP	Legislators	3.00%	27.29%	30.29%	Yes
CP	Governor/Lt. Governor and Cabinet	3.00%	27.29%	30.29%	Yes
CP	State Attorney/Public Defender	3.00%	27.29%	30.29%	Yes
CQ	County, City, Spec. Dist. Elected Officers	3.00%	27.29%	30.29%	Yes

¹³ The 0.06 percent fee is for administering the FRS Investment Plan and providing educational services to all FRS members for the 2020-21 Fiscal Year.

¹⁴ For a complete breakdown of the UAL rates by membership class, see Rate Chart 12 on Page 2-24.

**Rate Chart 7: FRS INVESTMENT PLAN RENEWED MEMBERSHIP FOR RETIREES
REEMPLOYED PRIOR TO JULY 1, 2010 - CONTRIBUTION RATES**

Rates Effective July 1, 2020

(Employer contribution rates include retirement rate, 1.66 percent HIS contribution rate, 0.06 percent fee¹⁵, and any applicable UAL rate¹⁶.)

<u>Plan Code</u>	<u>Plan Name</u>	<u>Employee Contribution Rates</u>	<u>Employer Contribution Rates</u>	<u>Total Contribution Rate</u>	<u>Social Security</u>
Renewed Membership in the Regular Class					
QA	Regular	3.00%	10.00%	13.00%	Yes
Renewed Membership in the EOC					
QC	Judges	3.00%	39.73%	42.73%	Yes
QE	Legislators	3.00%	58.91%	61.91%	Yes
QG	Governor/Lt. Governor and Cabinet	3.00%	58.91%	61.91%	Yes
QH	State Attorney/Public Defender	3.00%	58.91%	61.91%	Yes
QI	County, City, Spec. Dist. Elected Officers	3.00%	49.18%	52.18%	Yes
Renewed Membership in the SMSC (includes EOC members who elected to join the SMSC)					
QM	Senior Management (SMSC)	3.00%	27.29%	30.29%	Yes
QP	Judges	3.00%	27.29%	30.29%	Yes
QP	Legislators	3.00%	27.29%	30.29%	Yes
QP	Governor/Lt. Governor and Cabinet	3.00%	27.29%	30.29%	Yes
QP	State Attorney/Public Defender	3.00%	27.29%	30.29%	Yes
QQ	County, City, Spec. Dist. Elected Officers	3.00%	27.29%	30.29%	Yes

¹⁵ The 0.06 percent fee is for administering the FRS Investment Plan and providing educational services to all FRS members for the 2020-21 Fiscal Year.

¹⁶ For a complete breakdown of the UAL rates by membership class, see Rate Chart 12 on Page 2-24.

Rate Chart 8: RETIREEES INITIALLY REEMPLOYED ON OR AFTER JULY 1, 2010, WHO ARE NOT ELIGIBLE FOR RETIREMENT COVERAGE - CONTRIBUTION RATES

Rates Effective July 1, 2020

(Employer contribution rates combine 1.66 percent HIS contribution rate and any applicable UAL rate¹⁷.)

Plan Code	Plan Name	Employee Contribution Rates	Employer Contribution Rates	Total Contribution Rate	Social Security
UA	Regular	N/A	5.10%	5.10%	Yes
UB	Special Risk	N/A	9.26%	9.26%	Yes
UC	Judges	N/A	26.36%	26.36%	Yes
UE	Legislators	N/A	50.47%	50.47%	Yes
UG	Governor/Lt. Governor and Cabinet	N/A	50.47%	50.47%	Yes
UH	State Attorney/Public Defender	N/A	50.47%	50.47%	Yes
UI	County, City, Spec. Dist. Elected Officers	N/A	39.05%	39.05%	Yes
UM	Senior Management (SMSC)	N/A	20.84%	20.84%	Yes

* NOTE: Rates above apply to salaries of retirees based on the membership class that the position is covered by even though the individual is not eligible to participate in a state-administered retirement plan.

¹⁷ For a complete breakdown of the UAL rates by membership class, see Rate Chart 12 on Page 2-24.

Rate Chart 9: TEACHERS' RETIREMENT SYSTEM (TRS) AND HIS CONTRIBUTION RATES

Rates Effective July 1, 2020¹⁸

(Employer contribution rates combine retirement rate and 1.66 percent HIS contribution rate.)

<u>Plan Code</u>	<u>Plan Name</u>	<u>Employee Contribution Rates</u>	<u>Employer Contribution Rates</u>	<u>Total Contribution Rate</u>	<u>Social Security</u>
IE	TRS Plan E	6.25%	11.90%	18.15%	No

Rate Chart 10: DEFERRED RETIREMENT OPTION PROGRAM (DROP) AND HIS CONTRIBUTION RATES

Rates Effective July 1, 2020

(Employer contribution rates combine DROP rate, 1.66 percent HIS contribution rate, and any applicable UAL rate¹⁹. There is no administrative fee.)

<u>Plan Code</u>	<u>Plan Name</u>	<u>Employee Contribution Rates</u>	<u>Employer Contribution Rates</u>	<u>Total Contribution Rate</u>	<u>Social Security</u>
DP	DROP from FRS	N/A	16.98%	16.98%	Yes
DR	DROP from Plan A, SCOERS	N/A	16.98%	16.98%	No
DS	DROP from Plan B, SCOERS	N/A	16.98%	16.98%	Yes
DT	DROP from TRS, all plans	N/A	16.98%	16.98%	No

¹⁸ Contribution rates for TRS were increased due to the increase in the HIS rate.

¹⁹ For a complete breakdown of the UAL rates by membership class, see Rate Chart 12 on Page 2-24.

Rate Chart 11: CONTRIBUTION RATES FOR ELECTED OFFICIALS WHOSE EMPLOYMENT CONTINUES BEYOND DROP TERMINATION DATE**Rates Effective July 1, 2020**(Employer contribution rates combine 1.66 percent HIS contribution rate and any applicable UAL rate²⁰.)

Plan Code	Plan Name	Employee Contribution Rates	Employer Contribution Rates	Total Contribution Rate	Social Security
DE	DROP from FRS	N/A	9.95%	9.95%	Yes
DF	DROP from Plan A, SCOERS	N/A	9.95%	9.95%	No
DG	DROP from Plan B, SCOERS	N/A	9.95%	9.95%	Yes
DH	DROP from TRS, all plans	N/A	9.95%	9.95%	No

Rate Chart 12: FRS UNFUNDED ACTUARIAL LIABILITY RATES**Rates Effective July 1, 2020**

Plan Name	UAL
Regular	3.44%
Special Risk	7.60%
Special Risk Admin. Support	24.23%
Judges	24.70%
Legislators	48.81%
Governor/Lt. Governor and Cabinet	48.81%
State Attorney/Public Defender	48.81%
County, City, Spec. Dist. Elected Officers	37.39%
Senior Management (SMSC)	19.18%
DROP ²¹	8.29%

²⁰ For a complete breakdown of the UAL rates by membership class, see Rate Chart 12 above.²¹ Prior to Fiscal Year 2013-14 the UAL contribution rate was not required on the salaries of DROP participants.

Rate Chart 13: NONINTEGRATED OPTIONAL PROGRAMS**Rates Effective July 1, 2020²²**

Plan Code	Plan Name	Employee Contribution Rates	Employer Contribution Rates	Admin. Costs	UAL	Total Contribution Rate
HO	Local Program*	---- ²³	---- ²³	---- ²³	N/A	---- ²³
OP	State University System Optional Retirement Program	3.00%	5.14%	0.01%	3.44%	11.59%
OM	Senior Management Service Optional Annuity Program	3.00%	6.27%	N/A	19.18%	28.45%
OC	State Community College System Optional Retirement Program	3.00%	5.15%	---- ²⁴	3.44%	11.59%
EOC members opting out of the SMSC into the SMSOAP or Local Plan:						
OM	Judges	3.00%	6.27%	N/A	19.18%	28.45%
OM	Legislators	3.00%	6.27%	N/A	19.18%	28.45%
OM	Governor/Lt. Governor and Cabinet	3.00%	6.27%	N/A	19.18%	28.45%
OM	State Attorney/Public Defender	3.00%	6.27%	N/A	19.18%	28.45%
HO	County, City, Spec. Dist. Elected Officers*	---- ²³	---- ²³	---- ²³	N/A	---- ²³

* **NOTE:** Continue reporting salaries for employees under these plans. Even though the contributions reported will be zero, salary information is needed to monitor maximum compensation limits, total qualified positions for SMSC, etc.

²² Effective July 1, 2001, other optional program retirement contribution rates were set by law as a single rate. The 0.06 percent fee for administering the FRS Investment Plan and providing education services to all FRS members is not applicable to these optional programs.

²³ This contribution rate is established by local authority [see section 121.055(1)(b)2., Florida Statutes]

²⁴ Community colleges charging an administrative fee must reduce the SCCSORP contribution by the amount of the fee.

Rate Chart 14: RENEWED MEMBERS IN NONINTEGRATED OPTIONAL PROGRAMS FOR DEFINED CONTRIBUTION PLAN RETIREES EMPLOYED ON OR AFTER JULY 1, 2017

Rates Effective July 1, 2020²⁴

Plan Code	Plan Name	Employee Contribution Rates	Employer Contribution Rates	Admin. Costs	UAL	Total Contribution Rate
OA	State Senior Managers	3.00%	5.14%	0.01%	3.44%	11.59%
OE	County, City, Spec. Dist., Elected Officers*	3.00%	5.15%	---- ²⁷	3.44%	11.59%

Rate Chart 15: RENEWED MEMBERS IN NONINTEGRATED OPTIONAL PROGRAMS FOR RETIREES REEMPLOYED PRIOR TO JULY 1, 2010

Rates Effective July 1, 2020²⁵

Plan Code	Plan Name	Employee Contribution Rates	Employer Contribution Rates	Admin. Costs	UAL	Total Contribution Rate
OD	State Community College System Optional Retirement Program	3.00%	5.15%	---- ²⁶	3.44%	11.59%
OR	State Senior Managers	3.00%	6.27%	N/A	19.18%	28.45%
OS	State University System Optional Retirement Program	3.00%	5.14%	0.01%	3.44%	11.59%
OZ	Local Senior Managers*	---- ²⁷	---- ²⁷	---- ²⁷	N/A	---- ²⁷
Renewed EOC members opting out of the SMSC into the SMSOAP or Local Plan:						
OR	Judges	3.00%	6.27%	N/A	19.18%	28.45%
OR	Legislators	3.00%	6.27%	N/A	19.18%	28.45%
OR	Governor/Lt. Governor and Cabinet	3.00%	6.27%	N/A	19.18%	28.45%
OR	State Attorney/Public Defender	3.00%	6.27%	N/A	19.18%	28.45%
OQ	County, City, Spec. Dist., Elected Officers*	---- ²⁷	---- ²⁷	---- ²⁷	N/A	---- ²⁷

* **NOTE:** Continue reporting salaries for employees under these plans. Even though the contributions reported will be zero, salary information is needed to monitor maximum compensation limits, total qualified positions for SMSC, etc.

²⁵ Effective July 1, 2001, other optional program retirement contribution rates were set by law as a single rate. The 0.06 percent fee for administering the FRS Investment Plan and providing education services to all FRS members is not applicable to these optional programs.

²⁶ Community colleges charging an administrative fee must reduce the SCCSORP contribution by the amount of the fee.

²⁷ This contribution rate is established by local authority [see section 121.055(1)(b)2., Florida Statutes]

III. PAYMENT OF RETIREMENT CONTRIBUTIONS

A. FRS CONTRIBUTION SUMMARY

Each month, every reporting unit under the FRS must complete and submit a Contribution Summary along with the required retirement contributions for the month being reported. This summary describing each month's retirement/health insurance subsidy contribution²⁸ must be submitted before you submit the associated retirement contribution. The Contribution Summary information must be completed and submitted through the FRS Online web-based application at: www.frs.myflorida.com (FRS Online) or www.MyFRS.com. Contributions must be remitted using an electronic ACH-Credit or ACH-Debit transaction (see Page 2-31). (Please direct your questions concerning the Department of Revenue's registration form, the ACH-Debit transaction, or instructions on transmitting an ACH-Credit transaction to the Department of Revenue at 800-352-3671.)

The total amount of the retirement contributions due must be received by the division on or before the due date; otherwise they will be considered delinquent and subject to penalty

FRS Contribution Summary Elements

Contribution Summary elements are described below:

- **Total Wages on Payroll Detail** – Enter the total wages paid during the reporting period, including workers' compensation and prior period adjustments. Do not include payments that are not considered wages for retirement purposes.
- **Total Employee Retirement Contributions** – Enter the amount of retirement contributions withheld from employee wages.
- **Total Employer Retirement Contributions** – Enter the total employer contributions as reported on the retirement report.
- **Invoices** – Select each charge or credit invoice that has been included with this remittance.
- **Employer Personal Remits** – List the Social Security Number (SSN) and amount paid for each employee included in the remittance.
- **Total Amount Due** – (A + B + C + D) – This amount is computed by FRS Online.
- **Check/EFT** – The EFT total (see Page 2-31) should equal the Total Amount Due.

²⁸ A separate summary must be submitted for State University System Optional Retirement Program and IFAS contributions.

B. SUSORP/IFAS CONTRIBUTION SUMMARY

Institute of Food and Agricultural Sciences (IFAS) employees who are paid by the county and elect to participate in the State University System Optional Retirement Program (SUSORP) should be coded as Plan OP and reported on the monthly retirement report. However, salary and contributions for these IFAS/SUSORP employees should not be included in the totals of your FRS Contribution Summary.

State University System employees who elect to participate in the State University System Optional Retirement Program (SUSORP) should be coded as Plan OP and reported on the biweekly SUSORP retirement report. Salary and contributions for these SUSORP employees should not be included on the monthly FRS retirement report or totals of the FRS Contribution Summary.

Salary and contribution information for these employees must be separately reported on the State University System Optional Retirement Program/IFAS Contribution Summary. The SUSORP/IFAS Contribution Summary must be completed and submitted using the FRS Online web application accessed at: www.frs.myflorida.com (FRS Online) or www.MyFRS.com.

Florida law does not provide for charging a delinquent fee on SUSORP retirement contributions that are submitted late. However, late submission of your retirement contributions can delay contribution deposits in your employees' SUSORP investment account(s).

SUSORP/IFAS Contribution Summary

The following sections of the SUSORP/IFAS Contribution Summary must be completed:

- **Total Wages on Payroll Detail** – Enter the total wages paid for SUSORP during the reporting period.
- **Total Employee Retirement Contributions** – Enter the amount of SUSORP contributions withheld from the employee wages.
- **Total Employer Retirement Contributions** – Enter the total employer contributions as reported for SUSORP on the retirement report.
- **Invoices** – Select each charge or credit invoice for SUSORP contributions that has been included with this remittance.
- **Employer Personal Remits** – List the Social Security Number (SSN) and amount paid for each employee included in the remittance.
- **Total Amount Due** – (A + B + C + D) – This amount is computed by FRS Online.
- **Check/EFT** – The EFT total (see Page 2-31) should equal the Total Amount Due.

C. SMSOAP CONTRIBUTION SUMMARY

Salary and contributions for employees who have elected membership in Senior Management Service Optional Annuity Program (SMSOAP) must be reported on the SMSOAP Contribution Summary. Salary and contributions for SMSOAP employees should not be included in the totals of your FRS Contribution Summary. The SMSOAP Contribution Summary must be completed and submitted using the FRS Online web application accessed at: www.MyFRS.com or www.frs.myflorida.com.

Florida law does not provide for charging a delinquent fee on SMSOAP retirement contributions that are submitted late. However, late submission of your retirement contributions can delay contribution deposits in your employees' SMSOAP investment account(s).

OAP Contribution Summary

The following sections of the SMSOAP Contribution Summary must be completed:

- **Total SMSOAP Wages on Payroll Detail** – Enter the total wages paid for SMSOAP during the reporting period.
- **Total Employee Retirement Contributions** – Enter the amount of SMSOAP contributions withheld from the employee wages.
- **Total Employer Retirement Contributions** – Enter the total employer contributions as reported for SMSOAP on the Retirement Report.
- **Invoices** – Select each charge or credit invoice for SMSOAP contributions that has been included with this remittance.
- **Net Employer Personal Remit** – Not applicable.
- **Total Amount Due (A + B + C + D)** – This amount is completed by FRS Online.
- **Check/EFT** – The EFT total (see Page 2-31) should equal the Total Amount Due.

D. PAYMENT TIMETABLE**Due Date for Retirement Contributions**

In accordance with Chapter 121, Florida Statutes, all retirement contributions accompanying payroll data and the Contribution Summary are due and payable no later than the fifth working day of the month following the month in which the salary is paid. Accompanying payroll data must be submitted electronically to the division no later than 6:00 p.m. Eastern Standard Time on the due date. The data file must be in the correct format and be capable of being processed by the division. Retirement contributions must be received at the division on the due date, otherwise they will be considered delinquent. Electronic submission through the Department of Revenue must be initiated no later than 5:00 p.m. Eastern Standard Time of the fourth working day of the month in order to guarantee the payment will be received timely.

STATUTORY REFERENCE:

Sections 121.052(7)(c), 121.055(3)(c), 121.071(5), and 121.78(1) and (3)(a) and (b), Florida Statutes

FRS RULE REFERENCE:

Section 60S-3.011, Florida Administrative Code

Delinquent Assessments

Prior to June 1, 2002, a delinquent assessment was charged on delinquent contributions only. Effective June 1, 2002, the Florida Legislature established the requirement that all Pension Plan and Investment Plan contributions and payroll data not received by the due date be charged a 1 percent delinquent assessment on the total amount due (not just the delinquent portion). This charge is made for any month or part of a month that the contributions are late. It is the responsibility of the reporting unit to ensure that the contributions, the accompanying payroll data and the Contribution Summary are forwarded to the division in time to avoid the delinquent assessment.

If contributions made by an employer on behalf of participants of the Investment Plan or accompanying payroll data are not received within the calendar month they are due, and if that delinquency results in market losses to participants, the employer is required to reimburse each participant's account for market losses resulting from the late contributions. The employer must also pay an administrative fee for the cost of the third-party administrator's calculation of the participant's losses.

Exceptional circumstance beyond the employer's control that prevent the remittance or submission of contributions, the payroll data, and the Contribution Summary may qualify for a waiver of delinquent fees. The delinquent fees may be waived by the division for Pension Plan contributions and by the State Board of Administration for Investment Plan contributions no more than once during a fiscal year. The waiver will not be granted if it was within the employer's control to submit the contributions, the payroll data and the Contribution Summary timely. Any questions concerning a waiver of delinquent assessment should be directed to the Bureau of Accounting at 850-488-6883, or you can contact this bureau by email at: ret.revenuesection@dms.myflorida.com.

STATUTORY REFERENCE:

Section 121.78(3), Florida Statutes

FRS RULE REFERENCE:

Section 60S-3.011(2), (4), and (5), Florida Administrative Code

IV. ELECTRONIC FUNDS TRANSFER (EFT)

The Division of Retirement requires all agencies to pay retirement contributions electronically, either through the Department of Revenue's Electronic Tax Payment System or by wire transfers.

Payment Transfer through the Department of Revenue (EFT)

To use the Department of Revenue's Electronic Tax Payment System, each reporting unit must be registered with the Department of Revenue and assigned a PIN/ID number. To make retirement contribution payments via electronic funds transfer (EFT) with this system, registered agencies should follow these steps to log in:

- Go to www.myflorida.com/dor
- Click: *File and Pay Taxes; Make a Payment; Tax, Fee/Remittance Payment*
- At the secure login page, enter your User ID and Password (same ones previously used for the telephone payment initiation system.) Once logged in, choose *Make a Payment* from the activity menu.
- Follow the on-screen prompts and menus to choose remittance/tax type, remittance period end date, payment type, debit date, and all other payment information. You will have an opportunity to review and confirm the payment information entered prior to submitting a payment.

This will initiate a transaction to debit the agency's bank account and transfer the specified funds to the State Treasury. Electronic payments of monthly retirement contributions must be initiated no later than 5:00 p.m., Eastern Standard Time, on the last business day before the fifth working day of the month. This Department of Revenue system can also be used to submit invoice payments at any time during the month.

In order to submit retirement contributions through the Department of Revenue's Electronic Tax Payment System, each agency must complete the registration form necessary for enrollment in their program. If you need a copy of the form, please call 850-488-6803 or email the division's Bureau of Finance and Accounting at ret.revenue@dms.myflorida.com and we will be glad to provide you with one. Although this form was designed for the submission of taxes, it may also be used for retirement contributions. A reporting unit should enter the agency number as the Account Number and select "DMS-Florida Retirement System Contributions" as the type of remittance. The form is to be completed, signed by the agency and returned directly to the Department of Revenue, e-Services Unit, PO BOX 5885, TALLAHASSEE, FL 32314-5885. The e-Services Unit of the Department of Revenue will complete the enrollment process and provide the reporting unit with the information necessary to submit the agency's contributions via this system.

Questions concerning the registration form, the ACH-Debit transaction, or transmitting instructions for an ACH-Credit transaction, should be directed to the Department of Revenue's e-Services unit at 850-717-6623.

Wire Transfers

To submit wire transfers of funds for same-day service of retirement contributions, each wire transfer remittance must be addressed to:

WELLS FARGO BANK, N.A.
STATE OF FLORIDA DEPARTMENT OF
FINANCIAL SERVICES
DIVISION OF RETIREMENT
LOCATION 7200075
ACCOUNT #: 4859859738
ABA/ROUTING #: 121000248

To ensure that the wire transfer payments are credited to the reporting unit's account on a timely basis, call the division's Revenue Section at 850-488-6883 in advance of each transfer and relay the following information:

1. Name of unit making payment;
2. Purpose for transfer (i.e., monthly retirement contributions);
3. Total to be remitted;
4. Payroll period being reported (month and year); and
5. Date and time that the transfer will be made.

(Reporting units should also include the above-described information in the body of the wire transfer.)

It is the reporting unit's responsibility to ensure that the transfer is made to the Wells Fargo Bank in Tallahassee on the due date. Otherwise, a delinquent fee will be charged (see Page 2-30). In addition to the information listed above, reporting units must also transmit the required Contributions Report (see Part V following).

V. REPORTING CAPABILITIES - FTP OR FRS ONLINE

The FRS requires that participating units submit a monthly retirement report of wages and contributions for all covered employees (members) in one of two formats – FTP or FRS Online. This report is due no later than 6:00 p.m. Eastern Standard Time on the fifth working day of the month following the month during which the salary is paid. The report must be in the correct format and must be capable of being processed by the division.

FTP

The format for reporting wages and contributions using the FTP method is discussed in Chapter 4. Reporting units wishing to change their reporting format (such as from FRS Online to FTP) should contact the Division of Retirement. You may call the division toll free at 877-377-1266 or 850-907-6540 in the Tallahassee local calling area, or email contributions@dms.myflorida.com.

FRS Online

To report wages and contributions using FRS Online, reporting units will enter their payroll data using the FRS Online web application at www.MyFRS.com or www.frs.myflorida.com (FRS Online). The User Manual for FRS Online services is available on the website and can be downloaded for printing.

After the unit completes and submits the payroll detail, the reporting unit should complete and submit its Contribution Summary. See Page 2-31 for details on electronic transfer of retirement contributions.

STATUTORY REFERENCE:

Sections 121.052(7)(c), 121.055(3)(c), 121.071(5), and 121.78(1) and (3)(a) and (b), Florida Statutes

FRS RULE REFERENCE:

Section 60S-3.011, Florida Administrative Code

VI. INSTRUCTIONS FOR NEW REPORTING UNITS

Information Reported Used to Compute Benefits

It is important that the staff of new reporting units understand that the information submitted on the monthly retirement report will eventually be used to compute the retirement benefits for covered employees (members) when they retire. Compliance with the procedures for enrolling and reporting members of the retirement system will ensure that each member receives the correct service credit for employment with the reporting unit.

To ensure that the report is properly completed, please review all of the procedures included in these instructions, especially those in Chapter 3.

If you have questions regarding any of the procedures used, you are urged to contact the division for assistance. For your convenience, a list of frequently used telephone numbers is provided in Chapter 14. Questions regarding reporting procedures should be directed to the Division of Retirement. You may call the division toll free at 877-377-1266 or 850-907-6540 in the Tallahassee local calling area, or email contributions@dms.myflorida.com.